available to rural electric and telephone systems through direct, insured and guaranteed loans at interest rates which will allow them to achieve the objectives of this chapter and that such rural electric and telephone systems should be encouraged and assisted to develop their resources and ability to achieve the financial strength needed to enable them to satisfy their credit needs from their own financial organizations and other sources at reasonable rates and terms consistent with the loan applicant's ability to pay and achievement of this chapter's objectives.

(Pub. L. 93–32, § 1, May 11, 1973, 87 Stat. 65.)

CODIFICATION

The last sentence of section 1 of Pub. L. 93–32 provided that: ''The Rural Electrification Act of 1936, as amended (7 U.S.C. 901–950(b)), is therefore further amended as hereinafter provided.''

Section was not enacted as part of the Rural Electrification Act of 1936 which comprises this chapter.

EFFECTIVE DATE

Section 12 of Pub. L. 93–32 provided that: ''This Act [enacting sections 906a, 930, and 933 to 940 of this title, amending sections 903, 931, 932, 945, 946, 947, and 948 of this title, and enacting provisions set out as notes under this section] shall take effect upon enactment [May 11, 1973].''

RESERVATION OF RIGHT TO REPEAL, ALTER, OR AMEND PUB. L. 93–32

Section 11 of Pub. L. 93–32 provided that: ''The right to repeal, alter, or amend, this Act [enacting sections 906a, 930, and 933 to 940 of this title, amending sections 903, 931, 932, 945, 946, 947, and 948 of this title, and enacting provisions set out as notes under this section] is expressly reserved.''

§ 931. Rural Electrification and Telephone Revolving Fund

There is hereby established in the Treasury of the United States a fund, to be known as the Rural Electrification and Telephone Revolving Fund (hereinafter referred to as the ''fund''), consisting of:

(1) all notes, bonds, obligations, liens, mortgages, and property delivered or assigned to the Secretary pursuant to loans heretofore or hereafter made under sections 904, 905,[1] and 922 of this title and under this subchapter, as of May 11, 1973, and all proceeds from the sales hereunder of such notes, bonds, obligations, liens, mortgages, and property, which shall be transferred to and be assets of the funds;

(2) undisbursed balances of electric and telephone loans made under sections 904, 905,[1] and 922 of this title, which as of May 11, 1973, shall be transferred to and be assets of the fund;

(3) all collections of principal and interest received on and after July 1, 1972, on notes, bonds, judgments, or other obligations made or held under subchapters I and II of this chapter and under this subchapter, except for net collection proceeds previously appropriated for the purchase of class A stock in the Rural Telephone Bank, which shall be paid into and be assets of the fund;

(4) all appropriations for interest subsidies and losses required under this subchapter which may hereafter be made by the Congress and the unobligated balances of any funds made available for loans under the item ''Rural Electrification Administration'' in the Department of Agriculture and Agriculture-Environmental and Consumer Protection Appropriations Acts;

(5) moneys borrowed from the Secretary of the Treasury pursuant to section 934(a) of this title;

(6) shares of the capital stock of the Rural Telephone Bank purchased by the United States pursuant to section 946(a) of this title and moneys received from said bank upon retirement of said shares of stock in accordance with the provisions of subchapter IV of this chapter, which said shares and moneys shall be assets of the fund.

(May 20, 1936, ch. 432, title III, § 301, as added Pub. L. 92–12, § 2, May 7, 1971, 85 Stat. 29; amended Pub. L. 93–32, § 2, May 11, 1973, 87 Stat. 66; Pub. L. 94–570, § 2, Oct. 20, 1976, 90 Stat. 2701; Pub. L. 103–354, title II, § 235(a)(13), Oct. 13, 1994, 108 Stat. 3221; Pub. L. 104–127, title VII, § 772(b)(1), Apr. 4, 1996, 110 Stat. 1149.)

REFERENCES IN TEXT

Section 905 of this title, referred to in pars. (1) and (2), was repealed by Pub. L. 104–127, title VII, § 774(a), Apr. 4, 1996, 110 Stat. 1150.

AMENDMENTS

1996—Pub. L. 104–127 struck out ''(a)'' before ''There is hereby'' in introductory provisions and struck out ''notwithstanding section 903(a) of this title,'' before ''all collections'' in par. (3).

1994—Subsec. (a)(1). Pub. L. 103–354 substituted ''Secretary'' for ''Administrator''.

1976—Subsec. (a)(4). Pub. L. 94–570 provided for inclusion in the fund the unobligated balances of any funds made available for loans under item ''Rural Electrification Administration'' in the Department of Agriculture and Agriculture-Environmental and Consumer Protection Appropriation Acts.

1973—Pub. L. 93–32 substituted provisions establishing the Rural Electrification and Telephone Revolving Fund and enumerating its constituent parts, for provisions establishing a rural telephone account in the United States Treasury.

EFFECTIVE DATE OF 1976 AMENDMENT

Amendment by Pub. L. 94–570 effective Oct. 20, 1976, see section 4 of Pub. L. 94–570, set out as a note under section 935 of this title.

EFFECTIVE DATE OF 1973 AMENDMENT

Amendment by Pub. L. 93–32 effective May 11, 1973, see section 12 of Pub. L. 93–32, set out as an Effective Date note under section 930 of this title.

EFFECTIVE DATE

Section effective May 7, 1971, see section 7 of Pub. L. 92–12, set out as a note under section 921a of this title.

§ 931a. Level of loan programs under Rural Electrification and Telephone Revolving Fund

On and after October 28, 1991, no funds in this Act or any other Act shall be available to carry out loan programs under the Rural Electrification and Telephone Revolving Fund at levels other than those provided for in advance in appropriations Acts.

(Pub. L. 102–142, title III, Oct. 28, 1991, 105 Stat. 903.)

[1] See References in Text note below.

CODIFICATION

Section was enacted as part of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1992, and not as part of the Rural Electrification Act of 1936 which comprises this chapter.

§ 932. Liabilities and uses of Rural Electrification and Telephone Revolving Fund

(a) Liabilities and obligations of fund

The notes of the Secretary to the Secretary of the Treasury to obtain funds for loans under sections 904, 905,[1] and 922 of this title, and all other liabilities against the appropriations or assets in the fund in connection with electrification and telephone loan operations shall be liabilities of the fund, and all other obligations against such appropriations or assets in the fund arising out of electrification and telephone loan operations shall be obligations of the fund.

(b) Uses of fund assets

The assets of the fund shall be available only for the following purposes:

(1) loans which could be insured under this subchapter, and for advances in connection with such loans and loans previously made, as of May 11, 1973, under sections 904, 905,[1] and 922 of this title;

(2) payment of principal when due (without interest) on outstanding loans to the Secretary from the Secretary of the Treasury for electrification and telephone purposes and payment of principal and interest when due on loans to the Secretary from the Secretary of the Treasury pursuant to section 934(a) of this title;

(3) payment of amounts to which the holder of notes is entitled on insured loans: *Provided*, That payments other than final payments need not be remitted to the holder until due or until the next agreed annual, semiannual, or quarterly remittance date;

(4) payment to the holder of insured notes of any defaulted installment or, upon assignment of the note of the Secretary at his request, the entire balance due on the note;

(5) purchase of notes in accordance with contracts of insurance entered into by the Secretary;

(6) payment in compliance with contracts of guarantee;

(7) payment of taxes, insurance, prior liens, expenses necessary to make fiscal adjustments in connection with the application, and transmittal of collections or necessary to obtain credit reports on applicants or borrowers, expenses for necessary services, including construction, inspections, commercial appraisals, loan servicing, consulting business advisory or other commercial and technical services, and other program services, and other expenses and advances authorized in section 907 of this title in connection with insured loans. Such items may be paid in connection with guaranteed loans after or in connection with the acquisition of such loans or security thereof after default, to the extent determined to be necessary to protect the interest of the Government, or in connection with any other activity authorized in this chapter;

(8) payment of the purchase price and any costs and expenses incurred in connection with the purchase, acquisition, or operation of property pursuant to section 907 of this title.

(c) Separate electric and telephone accounts

(1) The Secretary shall maintain two separate accounts within the fund, which shall be known as the electric account and the telephone account, respectively.

(2)(A) The Secretary shall account for the assets, liabilities, income, expenses, and equity of the fund attributable to electrification loan operations in the electric account.

(B) The Secretary shall account for the assets, liabilities, income, expenses, and equity of the fund attributable to telephone loan operations in the telephone account.

(3)(A) The assets accounted for in the electric account shall be available solely for electrification loan operations under this chapter.

(B) The assets accounted for in the telephone account shall be available solely for telephone loan operations under this chapter (other than under subchapter IV of this chapter).

(May 20, 1936, ch. 432, title III, § 302, as added Pub. L. 92–12, § 2, May 7, 1971, 85 Stat. 30; amended Pub. L. 93–32, § 2, May 11, 1973, 87 Stat. 66; Pub. L. 101–624, title XXIII, § 2359, Nov. 28, 1990, 104 Stat. 4041; Pub. L. 103–354, title II, § 235(a)(13), Oct. 13, 1994, 108 Stat. 3221; Pub. L. 104–127, title VII, § 772(b)(2), Apr. 4, 1996, 110 Stat. 1149.)

REFERENCES IN TEXT

Section 905 of this title, referred to in subsecs. (a) and (b)(1), was repealed by Pub. L. 104–127, title VII, § 774(a), Apr. 4, 1996, 110 Stat. 1150.

AMENDMENTS

1996—Subsec. (b)(2). Pub. L. 104–127 struck out ''pursuant to section 903(a) of this title'' after ''purposes''.

1994—Subsecs. (a), (b)(2), (4), (5), (c)(1), (2). Pub. L. 103–354 substituted ''Secretary'' for ''Administrator'' wherever appearing.

1990—Subsec. (c). Pub. L. 101–624 added subsec. (c).

1973—Pub. L. 93–32 substituted provisions setting out the liabilities of the Rural Electrification and Telephone Revolving Fund and the allowable purposes for which fund assets shall be available, for provisions, that the monies in the rural telephone account should remain on deposit in the Treasury of the United States until disbursed.

EFFECTIVE DATE OF 1973 AMENDMENT

Amendment by Pub. L. 93–32 effective May 11, 1973, see section 12 of Pub. L. 93–32, set out as an Effective Date note under section 930 of this title.

EFFECTIVE DATE

Section effective May 7, 1971, see section 7 of Pub. L. 92–12, set out as a note under section 921a of this title.

§ 933. Moneys in the Rural Electrification and Telephone Revolving Fund

Moneys in the fund shall remain on deposit in the Treasury of the United States until disbursed.

(May 20, 1936, ch. 432, title III, § 303, as added Pub. L. 93–32, § 2, May 11, 1973, 87 Stat. 67.)

EFFECTIVE DATE

Section effective May 11, 1973, see section 12 of Pub. L. 93–32, set out as a note under section 930 of this title.

[1] See References in Text note below.